

EMPLOYMENT GROWTH TASK FORCE
Recommendations for the Indiana Career Council Strategic Plan
DRAFT-April 21, 2014

In December 2013, the Employment Growth Task Force was established by the Indiana Career Council to recommend strategies relative to the fourth and fifth Strategic Imperatives identified by the Council.

Strategic Imperative 4:

Make Indiana a leader in employment opportunities related to the fields of science, technology, engineering, and math (STEM)

Strategic Imperative 5:

Address the shortage of employment opportunities for individuals with a bachelor's degree or greater educational attainment

Through a series of strategic discussions over the past two months, the Task Force has developed the following objectives and strategies in response to the two strategic imperatives. The Task Force also collected input from partner organizations throughout the state including industry associations, colleges and universities, and regional economic development organizations to inform its recommendations to the Career Council.

IMPERATIVE 4: Make Indiana a leader in employment opportunities related to the fields of science, technology, engineering, and math (STEM)

Objective 4.1: Adopt a sector-based approach that helps to align economic development efforts and the education and training system

Strategy 4.1.1

Launch regional sector partnerships that complement the State's priority industry sectors to provide a mechanism to collect information and respond to sector needs

- Design the framework for regional sector partnerships that is:
 - Focused on a singular sector for each partnership
 - Driven by business representatives
 - Regionally-based
 - Supported by partner organizations including economic development, workforce development, postsecondary education, K12 education, and other community-based organizations

- A mechanism for partners to work together more proactively to support growth in these sectors
- Document existing industry initiatives/organizations within the state to build upon when designing the framework. Provide flexibility within the framework for regions to leverage these existing initiatives.
- Determine the necessary resources (staff, financial resources, etc.) to implement regional sector partnerships
- Convene regional stakeholders for a statewide Sector Partnership Forum to share the vision, ideal structure, and tools/support that will be available as well as allow for networking and peer-to-peer learning
- Provide technical assistance/start-up assistance to regional sector partnerships
 - Provide existing industry data available from IEDC to the sector partnerships for planning and start-up
 - Encourage regions to examine clusters and supply chains in launching their sector partnerships

Objective 4.2: Retain and attract high-skill, Hoosier talent in Indiana’s priority sectors by strengthening and promoting the quality of place in Indiana

Note: “Quality of Place” includes the following factors: community design and planning, wellness/health, education, arts and culture, and governance.

Strategy 4.2.1

Support the IEDC in implementing a place-based strategy for Indiana

- Review existing place-based strategies throughout Indiana
 - Office of Community and Rural Affairs, Place Based Investment Fund (PBIF)
 - Ball State University, Building Better Communities, Primacy of Place initiative
 - Indiana Economic Development Corporation, HEA 1035
- Identify gaps in support/funding that need to be filled
- In strategy, account for local difference and assets as well as workforce needs (e.g. IT workforce/companies may define ‘quality of place’ differently than
- After evaluating HEA 1035 pilot sites, expand to additional communities throughout Indiana, if successful

Strategy 4.2.2

Coordinate a consistent message that promotes the quality of place within Indiana to attract talent and companies. Elevate the importance of quality of place so communities and private funders view it as a keen economic development investment.

STRATEGIC IMPERATIVE 5: Address the shortage of employment opportunities for individuals with a bachelor's degree or greater educational attainment

Objective 5.1: Engage Indiana's colleges and universities as partners in innovation and entrepreneurship

Strategy 5.1.1

Encourage colleges and universities to increase technology transfer and commercialization activities

- Urge leadership (Presidents, Boards of Trustees) at the colleges and universities to embed technology transfer and innovation into institutional culture/expectations. Educate leadership about the potential impact on Indiana's economy and the benefits it can have on their institutions (revenue, marketing/image, etc.)
- Develop an "innovation dashboard" for public colleges and universities in the state to depict their commercialization and technology transfer contributions
- Encourage faculty involvement in technology transfer and commercialization efforts
 - Provide incentives/positive reinforcements for faculty-led innovation (e.g. bonuses, department competitions, etc.)
 - Provide faculty with technical assistance and/or coaching in commercialization
- Explore federal opportunities for universities and colleges to receive financial support for innovation and research and development that may include, but is not limited to:
 - National Science Foundation
 - National Networking for Manufacturing Innovation
 - Small Business Innovation Research program

Strategy 5.1.2

Seed Centers of Excellence at the colleges and universities throughout Indiana that are aligned to regional/state target industries

- Structure the Centers of Excellence to provide research and development support/expertise in close partnership with industry in target sectors in the region
 - Gauge interest from colleges and universities in becoming Centers of Excellence
 - Review best practices across the country for lessons learned and elements to adopt
 - Develop a model and identify resources that will be needed
 - Explore funding models that may include local matching funds, scaled state support (e.g. 75% funding in Year 1, 50% in Year 2, sustainable by Year X), etc.

- Define “Centers of Excellence” to include initiatives such as Eco15, the Battery Innovation Center, Indiana Bioscience Research Institute, and other existing efforts
- Link Centers of Excellence directly with regional sector partnerships

Strategy 5.1.3

Examine state support of business incubators throughout the state

- Review and learn from successful models within Indiana as well as models from outside the State
- Provide information and technical assistance to communities who want to open business incubators in their regions
- Determine the need for and/or feasibility of state financial support

Parking Lot Issues:

Note: These “parking lot” issues will be explored further at future meetings, but will not be included in the recommendations to the Career Council on March 21, 2014.

- Explore utilizing Certified Tech Parks as a tool for innovation and business growth
- Identify the data that exist from IEDC relative to STEM companies
- Review the training innovations occurring in other states (e.g. Iowa bonding program)

Objective 4.1: Adopt a sector-based approach that helps to align economic development efforts and the education and training system

Oklahoma Department of Commerce, Key Business Ecosystems

The Oklahoma Department of Commerce identified and targeted groups of wealth generating industries for business retention, expansion and recruitment in order to maximize Oklahoma's economic development efforts. The State committed to nurturing a well-trained workforce and providing supporting infrastructure to meet these industries' needs. To determine which groups of industries would be priority, Oklahoma considered the following criteria:

- Wealth Generation
- Sales Revenue
- Export Share
- Wages
- External Wealth Generation
- Growth Potential
- New Markets
- Industry Trends
- Number of Establishments
- Competitive Advantage
- Location Quotient
- Physical Assets

Using these criteria, and measuring 72 different factors, we determined Oklahoma's strongest industry ecosystems. Manufacturing is deeply woven into each of these identified groups, providing unique niche opportunities for each industry to further expand globally and to build a stronger, higher paid workforce. These groups are not mutually exclusive, and, on the whole, provide the backbone of Oklahoma's economy.

Michigan Industry Cluster Approach (MICA)

The State of Michigan Workforce Development Agency (WDA), in collaboration with the Michigan Economic Development Corporation (MEDC) is implementing cluster strategies as a key approach to addressing employer needs. The Michigan Industry Cluster Approach (MICA) is being implemented throughout the workforce system and focuses on five broad industry clusters: agriculture, energy, healthcare, information technology (IT), and manufacturing. The five clusters were selected relative to their significance to the Michigan economy based on 14 economic measures.

The overarching objective is to adapt the workforce system to produce more trainees with skills and competencies that align better with industry, and hence increase the likelihood of long-term employment upon completion of training. Sufficient public funding does not exist to meet all of the training needs in Michigan. When employer needs are met utilizing an industry cluster approach, employer champions are likely to step forward and not only become advocates for collaborative efforts in the future, but will likely be more willing to sponsor training with their own financial resources. The specific objectives of MICA include:

- Employers identify industry demand and vacancies.

- Employers provide direct input into the design of educational program offerings that directly respond to the industry identified demand and curriculum addresses occupational skill requirements.
- WDA and MWA services and programs align with industry's need for workers and skills.
- The Career Education Consumer Report (CECR) includes programs representing high-demand occupations based on input from employers.

Successful MICA adoption occurs upon the completion of three phases: 1) Commitment to Cluster Approach; 2) Partnership Mobilization; 3) Recruitment and Training Implementation.

Pennsylvania Industry Partnerships

The Industry Partnerships in Pennsylvania were formed in 2005 with funding made possible through the Pennsylvania General Assembly and are considered to be an institutional innovation for meeting the needs of business, the career goals of workers and the economic development goals of the commonwealth. The partnerships focus on identifying the common needs of businesses and facilitating incumbent worker training funds as well as developing a very robust pipeline development effort.

The Industry Partnership also makes available incumbent worker training funds for industry-recognized training that advances workers up a career ladder and prioritizes consortium training in order to secure high quality, low cost training by leveraging economies of scale. Participation in the incumbent worker program requires a cash match by the manufacturer (25% for consortium training and 50% for individual training). The state allows the partnership to accumulate matching funds into a Sustainability Fund that can be tapped into in the case of an interruption of state support.

Kentucky Workforce Investment Board, Sector Strategies Initiative

In Kentucky, sector strategies have been developed by state and regional, employer-driven partnerships of industry, education and training, and other stakeholders focusing on the workforce needs of key industries to develop expertise in the industry of focus; and to coordinate information and resources to develop and implement effective, coordinated responses workforce challenges common across employers. Sector strategies meet the skill, recruitment, and retention needs of employers and the training, employment, and career advancement needs of workers. In Kentucky, sector initiatives:

- Address the needs of employers by focusing intensively on the workforce needs of a specific industry sector over a sustained period, often concentrating on a specific occupation or set of critical occupations within that industry, and assuring industry that there will be a pipeline of skilled workers to meet future workforce demands;
- Address the needs of workers by creating formal career maps and pathways to good jobs, reducing barriers to employment, and sustaining or increasing middle-class jobs; and

- Bolster regional economic competitiveness by engaging economic development experts in workforce issues and aligning education, economic, and workforce development planning.

As part of its implementation of sector strategies in the local areas, the Commonwealth offered three rounds of Industry Partnership grants. These grants are designed to encourage Local Workforce Investment Boards (LWIBs), local employers and system stakeholders to plan for the expansion and/or start-up of industry-led, sector-focused and business-driven partnership projects.

Objective 4.2: Retain and attract high-skill, Hoosier talent by strengthening and promoting the quality of place in Indiana

Ball State University, Building Better Communities, Primacy of Place¹

The Primacy of Place Initiative is premised on the idea that a great state is comprised of great communities, and those communities can improve themselves in partnership with Ball State University. Primacy of Place represents a community's strategic choice to dedicate its resources toward placemaking and the improvement of life experiences for residents, businesses, and visitors. Today, the most successful communities are those that recognize the critical importance of human capital in order to compete effectively for economic development. Talent is the single most important element in local economic development, and we believe quality of place is the primary factor in a community's ability to attract and retain talent.

- ***Primacy of Place Community Awards*** - The Primacy of Place Community Awards Program publicly recognizes communities that are making quality of place their priority because place matters to people and people matter to business.
- ***Primacy of Place Conference*** - The Primacy of Place Conference is designed to bring together business and civic leaders to share and explore the art of developing, attracting, and retaining talent through quality of place initiatives.
- ***Primacy of Place Knowledge Groups*** - As part of the university's focus on Primacy of Place, quality of place, and human capital development, Building Better Communities is collaborating on the creation of several extended knowledge groups. The groups will be a featured element of the Primacy of Place Conference as well as provide the intellectual and creative resource for deploying knowledge to Indiana communities. Knowledge groups are being formed around the following functional areas: Arts Integration in Community Economic Development, Community Design, Community Collaboration for Educational Excellence, Community Wellbeing, Municipal Governance, and Community Readiness for Change.
- ***Primacy of Place Best Practices Databases*** - The Primacy of Place Best Practices Databases are an important element of the strategy to establish Ball State University as Indiana's unchallenged thought and practice leader in this realm. We hope these databases provide an ever-evolving set of information for beginners and experts alike in a variety of categories relevant to Primacy of Place.

¹ Ball State University,

State of Indiana, Place Based Investment Fund²

The Place Based Investment Fund is a competitive grant program that funds efforts by Indiana communities to become even greater places to visit, live, and work. PBIF is a collaborative effort between Indiana Office of Tourism Development and the Indiana Office of Community and Rural Affairs. The fund, in its second year, is a \$300,000 competitive matching grant program to support collaborative community and economic development projects.

The grants are targeted toward “quality of place” initiatives across Indiana, which improve both the quality of life and tourism experience in a community. Applicants are required to leverage local funding and partnerships. Performance-based quality of place initiatives that maximize investment and collaboration by local governments, economic development organizations, convention and visitor bureaus, Indiana Main Street organizations, public or private schools and community foundations are the intended recipients of these grants, ranging between \$25,000 and \$50,000. There is a 1:1 cash match requirement.

Traditional marketing, printing and advertising are not eligible. The fund is designed to support community investments that make tangible improvements to the quality of a place.

Hudson Webber Foundation, 15X15 Initiative³

15x15 is a shared vision to attract 15,000 young, talented households to Greater Downtown Detroit by 2015. Although sometimes referred to as a talent strategy, 15x15 is much more a place-based strategy, working in a targeted geography to make it the kind of place young talent wants to be. By focusing on talent attraction and retention, ultimately issues that are a critical to achieving that end goal arise – housing, jobs and business opportunities, retail and third places, and safety and perceived safety.

The 15x15 Initiative was launched in 2008 by The Hudson-Webber Foundation in collaboration with Wayne State University, Henry Ford Health System and the Detroit Medical Center, Together, these organizations began to invest in the development of their respective areas of Midtown, keeping in mind the needs and priorities of its target market: the young, educated professional. By providing affordable housing, exciting employment opportunities, mass transportation, and a vibrant retail sector, 15x15 hopes to retain its college-educated young professionals who were previously fleeing the city for the suburbs.

15x15 relies upon stakeholders and partners playing crucial roles in the development of the future of Detroit – government, philanthropy, nonprofits, business leaders, entrepreneurs and individuals. 15x15 also seeks to promote equity by creating employment opportunities, engaging in workforce preparation and education programs, and improving safety for existing Detroit residents.

² State of Indiana, Office of Community and Rural Affairs, <http://www.in.gov/ocra/2691.htm>

³ <http://www.openideo.com/challenge/vibrant-cities/inspiration/15x15-a-talent-strategy-for-detroit>

Objective 5.1: Engage Indiana's colleges and universities as partners in innovation and entrepreneurship

Washington State Centers of Excellence⁴

Each Center focuses on a targeted industry that drives the state's economy and is built upon a reputation for fast, flexible, quality education and training programs. A targeted industry is identified as one that is strategic to the economic growth of a region or state. Ten Centers across the state represent a sector strategy to serve as economic development drivers for industries that help the state's economy grow. Each Center focuses on a targeted industry and is built upon a reputation for fast, flexible, quality education and training programs for Washington state Community and Technical Colleges (CTCs).

Centers are guided by industry representatives to lead collaborative and coordinated statewide education and training efforts to build a competitive workforce in a global economy. The Centers convene, problem solve and disseminate - as well as:

- Maintain an institutional reputation for innovation and responsive education and training delivery to their targeted industry.
- Act as a broker of information and resources related to their targeted industry for industry representatives, community-based organizations, economic development organizations, community and technical colleges, secondary education institutions, and four-year colleges and universities.
- Translate industry research into best practices.
- Provide system coordination, coaching, and mentoring to assist in building seamless educational and work-related systems.
- Build a competitive workforce for driver industries in Washington state.

State of North Dakota

Centers of Excellence & Research Excellence⁵

The Centers of Excellence & Research Excellence are hubs of research and development on the campuses of North Dakota's colleges and universities, partnering with private companies to generate new business opportunities. The Centers explore research in the fields of energy, agriculture, life sciences, aerospace, manufacturing and electronics.

The Centers program is a key component of North Dakota's technology-based economic development strategy. It has generated significant economic benefits by leveraging the

⁴ Washington State Centers of Excellence: <http://www.coewa.com/>

⁵ State of North Dakota, Department of Commerce, Centers of Excellence, <http://www.commerce.nd.gov/research/CentersofExcellence/>

research and intellectual capabilities of the state's universities and colleges with the resources of private sector companies.

The 2003 Legislative session authorized funding for three pilot Centers of Excellence projects. Then in 2005, the Legislature approved Senate Bill No. 2032 expanding the concept into the Centers of Excellence in Economic Development program. The legislation called for a \$50 million state investment over multiple biennia, to be leveraged on a 2-to-1 basis with private sector and other funds.

As of June 30, 2012, the Centers program has had \$635 million in estimated economic impact to North Dakota's economy. This includes a direct impact of \$216 million generated by Centers, grant recipients and their partners.

To date, 25 Centers of Excellence & Research Excellence and an additional 16 research, infrastructure and economic development projects have been approved. The Research North Dakota and the Centers of Excellence & Research Excellence programs are overseen by a commission comprised of members from the North Dakota Economic Development Foundation and the State Board of Higher Education.

Research ND⁶

Research ND promotes the development and commercialization of products and processes through industry/university research partnerships. Research ND provides matching funds to help companies pay for the university research. Projects are initiated by the companies to meet their own research and development goals.

Through Research ND, firms have the opportunity to leverage their research, development and commercialization funds and gain access to the creative talents and extensive research base of North Dakota's Research Universities. Research ND matching funds are awarded on a competitive basis for projects based on proposals submitted jointly by researchers from one North Dakota Research University and a Private Sector Partner. Research ND funds may be used for:

- Commercialization of new technologies
- Research and development of new products
- Improvement of existing products or processes

Venture Grant Program⁷

The Venture Grant Program is designed to help move university-developed technology into the marketplace through startup or spinout companies. The Venture Grant Program provides seed

⁶ State of North Dakota, Department of Commerce, Research ND, <http://www.commerce.nd.gov/research/>

⁷ Ibid.

grants and matching funds to facilitate startup and spinout companies' use of university technology.

Phase I Venture Grants are intended to determine the feasibility of building a business around university technology. Acceptable uses of Venture Grant funds include:

- Analysis of the potential market
- Assessment of the technologies' readiness
- Further advancement of technology
- Intellectual property costs

Phase II Venture Grant applications will only be accepted from individuals/groups that have successfully completed a Phase I award. Phase II provides matching funds to the research university to continue refining the technology for market. The research university's identified private sector partner may be:

- An early stage company; or
- An individual interested in starting a business using university technology.